BORA LASKIN LAW LIBRARY
3 1761 03324 9343

LAND DEVELOPMENT

AND

COMMERCIAL REAL ESTATE PROBLEMS

MORTON G. GROSS, Q.C.

1992 - 1993

VOLUME II

FACULTY OF LAW

UNIVERSITY OF TORONTO

A LAWSON LAW LIBRARY

AUG 14 1992

FACULTY OF LAW
THE UNIVERSITY OF TORONTO

BORA LASKIN LAW LIBRARY
UNIVERSITY OF TORONTO

LAND DEVELOPMENT

AND

COMMERCIAL REAL ESTATE PROBLEMS

MORTON G. GROSS, Q.C.

1992 - 1993

VOLUME II

FACULTY OF LAW

UNIVERSITY OF TORONTO

LAND DEVELOPMENT

AND

COMMERCIAL REAL ESTATE PROBLEMS

TABLE OF CONTENTS

Chapter 1:	**SUBDIVISION DEVELOPMENT AND CONTROLS**
Chapter 2:	**CONDOMINIUMS**
Chapter 3:	**GROUND LEASES**
Chapter 4:	**MIXED USE DEVELOPMENTS**
Chapter 5:	**BUSINESS ENTITIES**
Chapter 6:	**COMMERCIAL LEASING AND NEGOTIATION OF PURCHASE OF REVENUE PRODUCING PROPERTY**
Chapter 7:	**PRIMARY FINANCING**
Chapter 8:	**COLLATERAL FINANCING**

Digitized by the Internet Archive
in 2018 with funding from
University of Toronto

https://archive.org/details/landdevelopmentc02gros_1

CHAPTER 3

GROUND LEASES

The Alternative to a Sale

	Page
Form of Ground Lease	1
"Ground Leases" - Article prepared for a CBAO Seminar on Advanced Real Estate - November 21, 1988	45
Interpretation Bulletin - IT-233R Lease-Option Agreements: Sale-Leaseback Agreements	76

READING LIST - CASES:

Re Jain et al. and City of Nepean
Re City of Nepean and Jain et al
(1989) 69 O.R.(2d) 353

Webster et al. v. Garnet Lane Developments Ltd. et al
(1989) 70 O.R.(2d) 65

CHAPTER 4

MIXED USE DEVELOPMENTS

"Mixed Use Developments" - paper presented at a
seminar held by The Canadian Institute:
Condominium Development - October 18, 1988

CHAPTER 5

BUSINESS ENTITIES

	Page
Partnerships Act	1
Cases Included:	
Ross v. Canadian Bank of Commerce [1923] 3 D.L.R.	14
Midcon Oil and Gas Ltd. v. New British Dominion Oil Co. Ltd. et al [1958] S.C.R. 314	17
Central Mortgage & Housing Corp. v. Graham et al	35
Mar-Sand Properties Ltd. v. Central Mortgage & Housing Corp.	52
Fraser-Brace Maritimes Ltd. v. Central Mortgage and Housing Corp. 117 D.L.R. (3d)	56
Carleton Condominium Corp. No. 11 v. Shenkman Corp. Ltd.; Grainger et al., Third Parties 49 O.R.(2d)	69
A.E. LePage Ltd. v. Kamex Developments Ltd. et al 16 O.R.(2d) 193	86
Woodlin Developments Ltd. and Minister of National Revenue [1986] 1 C.T.C., 2188	89
Canadian Pacific Ltd. v. Telesat Canada 133 D.L.R. (3d)	98
Limited Partnerships Act	116
Cases Included:	
Haughton Graphic Ltd. v. Zivot et al 33 D.L.R. 125 (1986)	131
Delaney v. Fidelity Lease Limited 526 S.W.2d 543 (Supreme Court of Texas)	138
Fraser v. M.N.R. (Minister of National Revenue)	142
Strauss v. M.N.R. (Minister of National Revenue)	145
Interpretation Bulletin IT-90 - "What is a Partnership?"	151
Interpretation Bulletin IT-128R - "Capital Cost Allowance - Depreciable Property"	152
Interpretation Bulletin IT-152R3 - "Special Reserves - Sale of Land"	155
Interpretation Bulletin IT-195R3 - "Rental Property - Capital Cost Allowance Restrictions"	156
Interpretation Bulletin IT-274R - "Rental Properties - Capital Cost of $50,000 or More"	157
Interpretation Bulletin IT-371 - "Rental Property - Meaning of 'Principal Business'"	159
Interpretation Bulletin IT-403R - "Options of Real Estate"	160
Interpretation Bulletin IT-464R - "Capital Cost Allowance - Leasehold Interests"	161

Information Circular No. 88-2: General anti-avoidance rule - Section 245 of the Income Tax Act 165

General Material Included:

Questions Concerning Business Entities 175

Reference Reading:

The Distinction Between Joint Ventures and Partnerships by James G. McKee, Canadian Current Tax, May, 1985 - Vol. I, No. 17, Page C89

Tax Aspects of Acquisitions and Dispositions of Real Estate by William D. Anderson, C.A., Peat Marwick, Insight Seminar, February 7, 1989 - Current Issues in Real Estate Taxation

Lac Minerals Ltd. v. International Corona Resources Ltd. [1989] 2 S.C.R. 574 (case not included in material)

CHAPTER 6

COMMERCIAL LEASING

			Page
Problems:	(a)	Concerning an Office Building Lease	1
	(b)	Concerning a Retail Shopping Centre Lease	3
Agreement to Lease - Shopping Centre			5
Shopping Centre Lease			17
Office Lease			50
The Commercial Concentration Tax Act			115
Negotiation of Purchase of Revenue Producing Property			134

CHAPTER 7

PRIMARY FINANCING

	Page
"Construction Financing" - Paper presented at Seminar for the Law Society of Upper Canada - Structuring and Financing Commercial Real Estate Transactions - February 1, 1986	1
Commitment Letter	11
Charge of Land	21
Demand Debenture	42

SUPPLEMENTARY READING:

"Variable Rate Mortgages and Sections 2, 6, 7 and 9 of The Interest Act", by Martin Fingerhut, Law Society of Upper Canada Lecture - Interest and Other Matters of Interest, October 2, 1982

"Creative Financing Techniques Developed in the Early 1980's in Response to High Interest Rates and Inflation and their Application Today", by Daniel F. Sullivan, Law Society of Upper Canada Lecutre - Structuring and Financing Commercial Real Estate Transactions - February 1, 1986

CHAPTER 8

COLLATERAL SECURITY

	Page
"Collateral Security" - Paper presented at a seminar held by Insight Seminar on Real Estate Development and Construction Financing - May 28 and 29, 1987	1
"Bonding and Insurance" - Article by Kenneth W. Scott, Q.C. dated September 30, 1985	28